



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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February 22, 2001

CERTIFIED RETURN RECEIPT

7000 0520 0021 7582 8630

Mr. Carsten Mortensen
Utelite Corporation
P.O. Box 387
Coalville, Utah 84017

Re: Five-Year Review of Reclamation Surety Estimate, Utelite Corporation, Utelite Mine,
M/043/004, Summit County, Utah

Dear Mr. Mortensen:

The Division is performing the periodic review of reclamation surety estimates to verify their accuracy and make adjustments for escalation and any site modifications that could result in a change of the surety amount presently being held for the site. Division policy requires that surety estimates being held by the State include a five year escalation and be reviewed every five years. A number of these five-year reviews are overdue because they had been postponed due to higher permitting priorities.

The reclamation surety for Utelite Corporation's Utelite Mine was due for review as of 1994. To assist us in this review, we request an updated map of your site showing current surface facilities and disturbances. Please provide the updated map at a scale of not less than 1 inch = 500 feet, which includes: buildings, stationary mining/processing equipment, roads, utilities, power lines, drainage structures (i.e. berms, culverts, etc.), topsoil, ore and product storage areas, overburden/waste dumps, tailings or processed waste facilities, solid and liquid wastes, and wastewater discharge treatment and containment facilities, etc. This map should include all areas which have been affected by this operation to date. Please ignore items listed above which do not apply to your site. The latest map the Division presently has on file of the site was dated June 15, 1989.

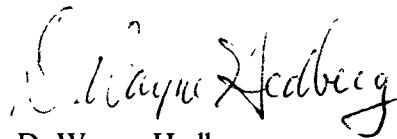
If any reclamation has been completed on the site since the last surety estimate review, please provide a separate map of the same scale as the site map, clearly identifying these reclaimed areas, the acreage affected, and the date of the reclamation. Please cross-hatch or shade the areas

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to identify the reclamation treatments (i.e. ripping, regrading, mulching, seeding, etc.) which have been applied.

Please provide this information within the next 60 days or no later than April 23, 2001. If you are unable to provide this information in this time frame, please contact the Division with justification for requesting additional time. Thank you for providing this information to assist us in our surety estimate review. If you have any questions concerning this letter, please contact Doug Jensen at (801) 538-5382.

Sincerely,

A handwritten signature in cursive script that reads "D. Wayne Hedberg".

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
M043-004.bndrvw